GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:2284
ANSWERED ON:14.03.2008
REVIEW OF POLICY IN IMF
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Will the Minister of FINANCE be pleased to state:

(a) : whether the structure and Policy Orientations promoted by richer countries in respect of IMF Quotas have remained unchanged during the last 60 years;

(b): if so, the details thereof and the reasons therefor;

(c): whether growing economies of India, China and others are contributing 50 percent to the world growth; and

(d): if so, the steps being taken in the matter to review the policy and structure in respect of credit limits and voting powers in view of the contribution of India?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL)

(a) & (b): The current allocation of quotas in the IMF is mainly based on a set of five formulae that have remained in vogue for last few decades. There have been some changes but these have been too small to have any significant impact on quota structure.

(c) & (d): Latest report of World Economic Outlook, (October 2007) indicated that India, China & Russia accounted for one-half of global growth over the past year. Discussions to reform the IMF quota structure and voting powers are in progress and India is actively participating in these.